

**Introduced by Senator Lowenthal**

February 5, 2010

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An act to add Chapter 6.8 (commencing with Section 50676) to Part 2 of Division 31 of the Health and Safety Code, relating to housing.

**LEGISLATIVE COUNSEL'S DIGEST**

SB 958, as introduced, Lowenthal. Federal Housing Trust Fund.

Existing law establishes the multifamily housing program under the administration of the Department of Housing and Community Development to provide a standardized set of program rules and features applicable to all housing types based on the department's California Housing Rehabilitation Program. Existing law also establishes the CalHome Program under the administration of the department to provide grants and loans to enable low- and very low income households to become or remain homeowners.

Existing federal law requires the Secretary of the Department of Housing and Urban Development to establish a Housing Trust Fund to provide grants to states to increase the supply of rental housing for extremely low- and very low income families, including homeless families, and homeownership for extremely low- and very low income families.

This bill would designate the department as the state agency responsible for administering the federal Housing Trust Fund. The bill would require the department to administer the federal funds pursuant to the multifamily housing program, except that up to 10% of the funds may be appropriated by the Legislature to the CalHome Program. The bill would require the department to submit reports with specified information relating to the distribution, awarding, and expenditure of the federal funds, as prescribed.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

SECTION 1. Chapter 6.8 (commencing with Section 50676) is added to Part 2 of Division 31 of the Health and Safety Code, to read:

CHAPTER 6.8. FEDERAL HOUSING TRUST FUND

50676. (a) The department is hereby designated as the state agency responsible for administering funds received by the state from the federal Housing Trust Fund pursuant to the Housing and Economic Recovery Act of 2008 (Public Law 110-289), and implementing federal regulations.

(b) The department shall administer the funds specified in subdivision (a) pursuant to the state multifamily housing program established in Chapter 6.7 (commencing with Section 50675), except that up to 10 percent of the funds may be appropriated by the Legislature to the CalHome Program established in Chapter 6 (commencing with Section 50650).

(c) The department shall amend its regulations, as needed, to comply with federal law.

(d) The department shall submit both of the following to the Legislature:

(1) A report describing the department's plan for distributing the funds, including a schedule for the release of all funds, no later than 30 days after receipt of the federal funds.

(2) A report detailing the cumulative amounts of funds awarded and expended, no later than 180 days after receipt of the federal funds and on or before December 31 of each year thereafter.